

SEASONAL
MULTIPLIER
FACTORS FOR GAS
TRANSMISSION



INTRODUCTION

SSE has taken the opportunity to provide some comment to the UR's consultation regarding seasonal multiplier factors for gas transmission. For the avoidance of doubt, this is a non-confidential response.

As a licensed shipper and supplier of natural gas to customers in Northern Ireland, the factors calculated and set regarding gas transmission tariffs, have a bearing on our business activities. We have provided a brief response given that there are no proposed changes outlined.

SSE RESPONSE

The consultation proposes that no change is required for the forthcoming tariff period. We are supportive of this approach proposed by the UR.

It is worth noting that this a similar parallel consultation conducted exercise was carried out by the CRU (which closed on the 12th March). The CRU proposed a change to the calculation of multipliers by considering the approach to seasonal factors. In our view, we would have been content with no change as proposed by the UR.

Both jurisdictions are required to assess tariffs in line with TAR NC compliance, considering the needs of each jurisdiction. However, it is our view that, given this is an all-island market, where gas intake from NI makes it way down to ROI for use in electricity generation for instance it would be preferable to have a consistent approach across the island.

It is our view that a co-ordinated approach to complementary consultations on issues such as seasonal multiplier factors should be pursued on an all-island basis. This would improve tariff certainty as well as allowing for participants to make an informed assessment of the overall impact across the SEM which could minimise any potential detrimental consumer impacts arising from divergent consultation proposals.

We consider it important to raise this fact, in addition to raising our support for the UR's approach for the forthcoming tariff period. We are happy to discuss further, should it be considered useful.